

Service of the United States and from my position as Political Counselor in U.S. Embassy Athens, effective March 7. I do so with a heavy heart.

The baggage of my upbringing included a felt obligation to give something back to my country. Service as a U.S. diplomat was a dream job. I was paid to understand foreign languages and cultures, to seek out diplomats, politicians, scholars and journalists, and to persuade them that U.S. interests and theirs fundamentally coincided. My faith in my country and its values was the most powerful weapon in my diplomatic arsenal.

It is inevitable that during twenty years with the State Department I would become more sophisticated and cynical about the narrow and selfish bureaucratic motives that sometimes shaped our policies. Human nature is what it is, and I was rewarded and promoted for understanding human nature. But until this Administration it had been possible to believe that by upholding the policies of my president I was also upholding the interests of the American people and the world. I believe it no longer.

The policies we are now asked to advance are incompatible not only with American values but also with American interests. Our fervent pursuit of war with Iraq is driving us to squander the international legitimacy that has been America's most potent weapon of both offense and defense since the days of Woodrow Wilson. We have begun to dismantle the largest and most effective web of international relationships the world has ever known. Our current course will bring instability and danger, not security.

The sacrifice of global interests to domestic politics and to bureaucratic self-interest is nothing new, and it is certainly not a uniquely American problem. Still, we have not seen such systematic distortion of intelligence, such systematic manipulation of American opinion, since the war in Vietnam. The September 11 tragedy left us stronger than before, rallying around us a vast international coalition to cooperate for the first time in a systematic way against the threat of terrorism. But rather than take credit for those successes and build on them, this Administration has chosen to make terrorism a domestic political tool, enlisting a scattered and largely defeated Al Qaeda as its bureaucratic ally. We spread disproportionate terror and confusion in the public mind, arbitrarily linking the unrelated problems of terrorism and Iraq. The result, and perhaps the motive, is to justify a vast misallocation of shrinking public wealth to the military and to weaken the safeguards that protect American citizens from the heavy hand of government. September 11 did not do as much damage to the fabric of American society as we seem determined to do to ourselves. Is the Russia of the late Romanovs really our model, a selfish, superstitious empire thrashing toward self-destruction in the name of a doomed status quo?

We should ask ourselves why we have failed to persuade more of the world that a war with Iraq is necessary. We have over the past two years done too much to assert to our world partners that narrow and mercenary U.S. interests override the cherished values of our partners. Even where our aims were not in question, our consistency is at issue. The model of Afghanistan is little comfort to allies wondering on what basis we plan to rebuild the Middle East, and in whose image and interests. Have we indeed become blind, as Russia is blind in Chechnya, as Israel is blind in the Occupied Territories, to our own advice, that overwhelming military power is not the answer to terrorism? After the shambles of post-war Iraq joins the shambles in Grozny and Ramallah, it will be a brave foreigner who forms ranks with Micronesia to follow where we lead.

We have a coalition still, a good one. The loyalty of many of our friends is impressive, a tribute to American moral capital built up over a century. But our closest allies are persuaded less that war is justified than that it would be perilous to allow the U.S. to drift into complete solipsism. Loyalty should be reciprocal. Why does our President condone the swaggering and contemptuous approach to our friends and allies this Administration is fostering, including among its most senior officials. Has *oderint dum metuant* [Ed. note: Latin for "Let them hate so long as they fear," thought to be a favorite saying of Caligula] really become our motto?

I urge you to listen to America's friends around the world. Even here in Greece, purported hotbed of European anti-Americanism, we have more and closer friends than the American newspaper reader can possibly imagine. Even when they complain about American arrogance, Greeks know that the world is a difficult and dangerous place, and they want a strong international system, with the U.S. and EU in close partnership. When our friends are afraid of us rather than for us, it is time to worry. And now they are afraid. Who will tell them convincingly that the United States is as it was, a beacon of liberty, security and justice for the planet?

Mr. Secretary, I have enormous respect for your character and ability. You have preserved more international credibility for us than our policy deserves, and salvaged something positive from the excesses of an ideological and self-serving Administration. But your loyalty to the President goes too far. We are straining beyond its limits an international system we built with such toil and treasure, a web of laws, treaties, organizations and shared values that sets limits on our foes far more effectively than it ever constrained America's ability to defend its interests.

I am resigning because I have tried and failed to reconcile my conscience with my ability to represent the current U.S. Administration. I have confidence that our democratic process is ultimately self-correcting, and hope that in a small way I can contribute from outside to shaping policies that better serve the security and prosperity of the American people and the world we share.

IRAQ

Mr. STEVENS. Mr. President, I ask unanimous consent that the Sunday, March 9, 2003 Washington Post editorial entitled "Moment of Decision" be printed in the RECORD at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. I believe this editorial accurately describes the current impasse at the U.N. Security Council over whether to enforce Security Council Resolution 1441.

That resolution gave Saddam Hussein a final opportunity to disarm and provided for "serious consequences" should he fail to comply. It is now clear that Saddam Hussein is in violation of Resolution 1441, yet some member states on the Security Council are using this forum to press an unrelated agenda that is hostile to the interests of the United States.

By pursuing this course of action, these member states are contributing to the global threat that Saddam Hus-

sein poses and undermining the very purpose of the United Nations—to ensure the peace and security of the international community.

We know that Saddam Hussein possesses weapons of mass destruction. We know that Saddam Hussein will use those weapons against those who oppose his tyranny. We know that Saddam Hussein has failed to disarm in violation of Security Council Resolution 1441.

Yet, rather than holding Saddam Hussein accountable for his defiance, these member states have reduced the Security Council to a debating society, hardly relevant to the tough decisions the United States and its allies face in the war against terrorism.

Only by standing together will the United Nations finally fulfill its commitment of ensuring global peace and security.

EXHIBIT 1

[From the Washington Post, Mar. 9, 2003]

MOMENT OF DECISION

The Debate on Iraq at the United Nations Security Council no longer concerns whether Iraq has agreed to disarm; in fact, it hardly concerns Iraq at all. At Friday's meeting, once again, neither chief U.N. inspector Hans Blix nor any member of the council contended that Saddam Hussein has complied with the terms of Resolution 1441, which offered him a "final opportunity" to give up weapons of mass destruction. But most members chose not to discuss the "serious consequences" the council unanimously agreed to in the event of such non-compliance. Some, such as Mexico and Chile, essentially argued that Iraqi disarmament was less important than avoiding a split of the Security Council. Others, such as Russia and France, sought to change the subject from Iraq to the United States' global role. They argued for using Iraq to establish that international crises should be managed solely by the Security Council—and not through military action that necessarily must be led by the United States.

It's painful to imagine Saddam Hussein's satisfaction in observing the council once again descend into internal quarrels rather than hold him accountable for his defiance of its resolutions. But it's not hard to understand much of the diversionary argument. Few countries outside of the Middle East feel directly threatened by Iraq, other than the United States. Many have an understandable aversion to war when their own citizens' lives don't appear to be at risk. Some, notably Russia and France, have been unsuccessfully seeking for a decade to check American influence and create a "multipolar world"; the Iraq crisis offers a fresh platform for an agenda more important to them than the menace of a Middle Eastern dictator. The Security Council's action on Iraq "implies the international community's ability to resolve current or future crises . . . a vision of the world, a concept of the role of the United Nations," said French Foreign Minister Dominique de Villepin. "There may be some who believe that these problems can be resolved by force, thereby creating a new order. But this is not what France believes." To oppose the use of force in Iraq, in other words, is to oppose the exercise of the United States' unrivaled power in the world.

We share the concern of those on the council who spoke of the damage of an enduring rift over Iraq—damage for which the Bush administration's clumsy and often high-handed diplomacy will be partly responsible.

Yet we would argue that the only way to preserve international cohesion is for the council to face up to the tough question that it has been avoiding for weeks—not world order or U.S. power but Saddam Hussein's defiance of an unambiguous Security Council disarmament order. In their bid for global opinion, the French and Russians now invoke principles they would never agree to if they were applied to Chechnya or Francophone Africa. As President Bush pointed out in his news conference Thursday, Iraq's continued stockpiling of banned weapons is a direct threat to the United States, and the country has a right under the U.N. Charter to defend itself against that threat.

By taking its case to the United Nations, the Bush administration tested whether the Security Council—which only rarely in the past 50 years has been able to respond to the world's crises—could serve as a place where such threats could be addressed. Yet after six months of intensive effort, France, Russia, Germany and others refuse to accept the consequences of the process they claim to favor. They would rather the Security Council abandon its own resolutions, or split apart, than endorse a U.S. use of force against an outlaw tyrant. If their goal is really to preserve the U.N. security system, they should join in supporting the enforcement of U.N. resolutions; if it is merely to contain the United States, they should not be allowed to succeed. The United States, for its part, must remain open to reasonable compromise. If a few more weeks of diplomacy will serve to assuage the legitimate concerns of undecided council members, the effort—even at this late date—would be worth making.

SOCIAL SECURITY REFORM

Mr. BUNNING. Mr. President, in the upcoming days of the 108th Congress, this legislative body may be called upon to tackle the very important and very difficult issue of Social Security reform. As it currently stands, the Social Security System needs strengthening for the sake of our children and grandchildren. I recently read an article, written by Mises Institute Scholar John Attarian, which takes us back to December 1981, when President Ronald Reagan, alone with House Speaker Tip O'Neill and Senate Majority Leader Howard Baker, created a bipartisan commission to study Social Security and recommend reforms. Alan Greenspan was picked by President Reagan to head-up this commission. This article will provide my fellow colleagues with insightful information regarding past experience with Social Security reform. If we refuse to learn from our previous mistakes and mishaps, we are doomed to travel down the same erroneous and errant path. We can't just kick the can down the road. Raising taxes on benefits and reducing benefits are not an option for Social Security reform.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ANOTHER GREENSPAN SOCIAL SECURITY REFORM?

(By John Attarian)

On Thursday, February 27, Federal Reserve Chairman Alan Greenspan told the Senate's

Special Committee on Aging that we should tackle Social Security sooner rather than later, so as to avoid "abrupt and painful" revisions of the program when the baby boomers start retiring. Congress should, he said, consider things like raising the retirement age and changing the annual benefit Cost of Living Adjustment (COLA), before raising the payroll tax, because a payroll tax hike discourages hiring.

"Early initiatives to address the economic effects of baby-boom retirements could smooth the transition to a new balance between workers and retirees. If we delay, the adjustments could be abrupt and painful," Greenspan said. He added that Congress should consider switching to a lower inflation rate for the annual COLA, which could save billions in benefit outlays.

Greenspan's words should set off alarm bells in well-informed minds. Almost exactly ten years ago, a National Commission on Social Security Reform headed by Greenspan proposed a package of benefit cuts and tax increases, which Congress enacted with little change, and which turned out to be one of the most oppressive—and underhanded—things Congress ever did to younger Americans over Social Security. It also failed to solve Social Security's long-term problems.

BACKGROUND TO THE GREENSPAN COMMISSION

The 1972 amendments to the Social Security Act not only greatly increased benefits, and created the annual COLA to increase benefits to compensate for inflation, but included an overly generous formula for the COLA which in effect adjusted benefits twice. This plus the inflationary stagnation of the 1970s created Social Security's first funding crisis. To cure it, Congress passed in December 1977, and President Jimmy Carter signed into law, amendments which both undid the overadjustment of benefits and mandated the largest tax increase in American history up till then. Supposedly this would solve the problem permanently.

It didn't. The long-term actuarial deficit fell from a frightening -8.20 percent of taxable payroll to a still-troubling -1.46 percent. Moreover, thanks to inflationary recession, the short-term outlook was calamitous; in 1980, Social Security's Board of Trustees reported a deficit of almost \$2 billion in 1979, that by 1982 at the latest, Old-Age and Survivors Insurance (OASI) would be unable to pay benefits on time, and that by calendar 1985 Social Security's trust fund would be exhausted.

So in May 1981, Ronald Reagan's Secretary of Health and Human Services, Richard Schweiker, sent Congress Reagan's proposals for restoring Social Security's solvency.

Instead of another tax hike, Reagan proposed benefit cuts—most importantly, cutting early retirement benefits from 80 percent of the full benefit to 55 percent, and increasing the dollar "bend points" in the Average Indexed Monthly Wage formula, which break up income into intervals upon which benefit calculations are based), by 50 percent of the average annual wage increase, not 100 percent.

Reagan walked into a buzz saw. Congressional Democrats, seniors' groups, Social Security architects such as Wilbur Cohen, unions, and others blasted him for "breaking the social contract," and he suffered his first defeat in Congress. In December 1981, he recommended creation of a bipartisan commission to study Social Security and recommend reforms. Reagan picked five members, including economist Greenspan as chairman; House Speaker Thomas "Tip" O'Neill picked five; and Senate Majority Leader Howard Baker picked five more. The Greenspan Commission quarrelled bitterly over what to do, missing its December 1982

deadline, and did not issue its report until January 15, 1983.

THE 1983 SOCIAL SECURITY RESCUE

It was just in time. Exhaustion of the Old-Age and Survivors Insurance trust fund was now projected for July 1983, meaning benefit checks wouldn't go out on time. Reagan and Congress moved fast. The Commission's proposals were introduced on January 26; both houses of Congress passed the final version of the rescue legislation on March 25; and Reagan signed it into law on April 20, 1983.

Supposedly, the Greenspan Commission gave politicians a political cover enabling them to bite the bullet on Social Security and even do the unthinkable: cut benefits. Supposedly, the Greenspan Commission's reforms were a compromise between the Republicans, who wanted to cut benefits, and the Democrats, who wanted to raise taxes instead. Supposedly, they therefore spread the pain widely, cutting current benefits, raising current and future taxes, cutting future benefits, and dragging previously exempted persons into Social Security's revenue pool.

Superficially considered, they did. Current beneficiaries had their July 1983 COLA delayed six months, until January 1984, and all beneficiaries would have COLAs paid in January thereafter. For the first time, Social Security benefits were subject to taxation. Beginning in 1984, up to 50 percent of Social Security benefits would be included in taxable income for persons whose sum of adjusted gross income plus taxable interest income plus one-half of Social Security benefits exceeded \$25,000 for single beneficiaries and \$32,000 for married beneficiaries.

The future tax increases mandated in 1977 were accelerated; the payroll tax rate increase scheduled for 1985 kicked in in 1984 instead, and part of the 1990 increase went into effect in 1988. In addition, the self-employment tax rate, which the 1977 law would have increased to 75 percent of the sum of the employer and employee shares of the Federal Insurance Contributions Act (FICA) tax, was raised to 100 percent of this sum.

Many additional categories of employees were brought under Social Security, including the President, members of Congress, federal judges, federal employees newly hired on or after January 1, 1984, and present and future employees of tax-exempt nonprofit organizations. State and local government employees, who previously were able to opt out of Social Security, no longer could as of April 20, 1983.

The retirement age (the age at which one could qualify for full Social Security benefits) was gradually raised, to reach sixty-six in 2009 and sixty-seven in 2027. One could still retire early and start collecting early retirement benefits at age sixty-two, but the early retirement benefit would be trimmed from 80 percent of the full benefit in 1983, to 75 percent in 2009 and 70 percent in 2027.

THE 1983 RESCUE UNMASKED

But although the pain was indeed spread widely, it was certainly not spread evenly. The distribution of sacrifice was incredibly lopsided, falling least heavily on current beneficiaries and most heavily on current taxpayers, future taxpayers, and future beneficiaries. In other words, the elderly of 1983 were spared any real hardship, and the bulk of the burden was put on those who were young in 1983 and of Americans yet unborn.

In the short-run period of 1983-1989, the majority of the pain was borne by taxpayers, not current beneficiaries. Using its intermediate actuarial assumptions, the Office of the Actuary estimated that the amendments would raise an additional \$39.4 billion in this period from the higher FICA tax rates, \$18.5 billion from the higher self-employment tax rate, and \$21.8 billion from extending Social